Including these, the total provision required on account of the situation created by the War would approximate Rs. 27·62 lakhs.

I shall now proceed to sketch in detail some of the important items that deserve notice in the budget estimates of 1119.

RECEIPTS

Compared with the revised estimate of receipts, *viz.*, Rs. 164·08 lakhs, of the current year, the budget estimate anticipates an increase of Rs. 19·09 lakhs. Of these, Miscellaneous accounts for Rs. 14·18 lakhs, Customs Rs. 5·51 lakhs and Abkari and Ganja Rs. 5·53 lakhs.

The largest increase occurs under Miscellaneous where, a receipt of Rs. 14·35 lakhs is anticipated by the sale of the Hill paddy produce. Again, the sum of Rs. 2 lakhs transferred from the Revenue Reserve Fund finds its credit under this head and this also contributes to the large increase therein.

On the basis of the actuals realised at the Port of Cochin for 1942—43 we have budgetted under Customs for Rs. 30 lakhs as against the revised estimate of Rs. 24·49 lakhs.

Based on the rentals fetched at auction sales the budget estimate under Abkari and Ganja has been fixed at Rs. 16·52 lakhs as against the revised estimate of Rs. 10·99 lakhs.

Due to the continuance of the demand for timber and the higher prices fetched the receipts under Forests and Tramway are still on the forward trend anticipating an increase of Rs. 1·70 lakhs over the revised estimate of Rs. 11·21 lakhs.

Against these substantial increases are also anticipated falls in revenue under cretain items the more important of which occur under Income-tax, Railway, and interest.

The operations of the Excess Profits Tax and the Super-tax are not expected to give us the same return as in the current year and hence we are cautiously budgetting for a return of Rs. 25 lakhs only under Income-tax in the coming year. On account of the increased traffic the Railway is expected to yield the larger return though not to the same extent as in the current year the budget estimate being fixed at Rs. 35 lakhs *i.e.*, Rs. 1·57 lakhs less than the revised estimate. Again, the withdrawals of fixed deposits and the amounts in the current account necessitated for financing the purchase of food grains, etc., will reduce the return under interest by Rs. 0·72 lakh as compared with the revised estimate of Rs. 3·35 lakhs.

DISBURSEMENTS

As already explained by me before, the demands of the several departments have been carefully scrutinised by the Government and generally only provisions tending towards the amelioration of the people have been retained. Thus the usual contribution of Rs. 2 lakhs from Revenue Reserve Fund for purposes of rural development is proposed to be continued in the coming year; increased allotments have been provided under Public Works, Education, Medical, Ayurveda, etc.

The total thus provided in the budget estimate for the next year is Rs. 166·88 lakhs which exceeds the revised estimate of the current year by Rs. 16·46 lakhs.

I shall now pass on to deal with some of the important items which may require observation.

Development and Nation-building services

Agriculture.—The State is essentially rural; it is a land of agriculturists and yet there is insufficiency of food in our country. We have to make ourselves self-sufficient so far as food is concerned and attempts in this direction are seen reflected in the budget before you. An area of more than 11,000 acres have been newly brought under cultivation on the lease system. The Agricultural Inspectors continue their special activities connected with the food production drive. The manure depots attached to Panchayats are proposed to be continued with a larger allotment of Rs. 1·35 lakhs under "Advance for purchase of manure and implements" to ryots. The "Grow More Food" campaign will be carried on with greater intensity and larger provisions for irrigation facilities both under Public Works Department and the Panchayats and for protective works under the former have been made. Tobacco cultivation is proposed to be begun with the help of the inspector sent to study tobacco farming elsewhere. Demonstration in ryots' lands is continued. A dairy section has been organised in the Central Farm on up-to-date lines for which the required provision is made. A scheme of extending veterinary services to each Panchayat area is under consideration and a beginning is made for training Stock-men Compounders in Veterinary Hospitals.

Co-operation.—The efficient organisation of Co-operative Societies in villages plays an important part in rural economy as it helps the ryot and rural worker to stand on his own legs. A committee is now enquiring into the working of the department and to suggest methods of

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DISBURSEMENTS

The Revenue expenditure for the year amounted to Rs. 114·00 lakhs (excluding transfer to Revenue Reserve Fund) as against Rs. 108·97 lakhs anticipated in the Budget thus resulting in an excess expenditure of Rs. 5·03 lakhs. The excess was the result of increase in expenditure amounting to Rs. 6·87 lakhs under certain heads partly counterbalanced by savings amounting to Rs. 1·84 lakhs under certain other heads. The more important of the variations are explained below.—

Heads	Budget estimate 1117	Actuals	Increase	Decrease	Reasons
Excise	1·39	1·59	·20	..	Mainly on account of refunds made to the tax licensees as concessions for the destruction caused by the cyclone and also on account of a large refund made to the salt contractor
Matches	·58	·41	..	·17	Due to reduced contribution to the Government of India on account of decrease in the sale of matches banderols in the State
Forest and Tramway	4·00	4·18	·18	..	Transport charges of timber much in excess of the sanctioned had to be incurred on account of war supply and collection charges of timber uprooted by the cyclone
General Administration	2·53	2·21	..	·32	Non-utilisation of the full provision made for the pay of the Ex-Diwan, savings in the Census Commissioner's pay consequent on his deputation as Excise Commissioner for a short period, etc.
Jails	·46	·67	·21	..	Increased dietary charges partly due to increased number of prisoners
Police	·246	2·36	..	·10	Mainly under establishment charges of executive force due to non-utilisation of leave allowance in full and also due to the fact that a portion of the staff was on other duty in the year
Public Health	1·47	1·36	..	·11	Savings stand distributed among the various detailed heads
Public Works	11·27	10·78	..	·49	Mainly due to tender deductions in works and non-execution of certain works programmed for the year
Interest	5·71	5·56	..	·15	Claims for interest on the State Loans did not come up from some of the Bond holders. The amount provided for payment to Provident Fund subscribers was not also fully utilised
Railway	13·90	15·78	1·88	..	Increased maintenance charges partly due to increased earnings
State Conveyance	·64	·53	..	·11	Non-utilisation of the provision made for the purchase of new cars
Miscellaneous	2·24	6·41	4·17	..	Due to the various items of expenditure which had to be met in connection with the war activity.

REVISED ESTIMATE OF 1118

The following statement shows the revenue and expenditure of the current year according to the revised calculation now made on the basis of the actuals and other information so far known

	Budget estimate 1118 Rs.	Revised estimate 1118 Rs.	Increase Rs.	Decrease Rs.
Total Revenue ..	124 36	165·08	39·72	..
Expenditure charged to Revenue ..	121·18	130·42	29·24	..
Surplus or deficit ..	+3·18	13·66	10·48	..

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